Difference in rates of interest gives on bank deposits and charged on bank loans

2713. SHRI RAOOF VALIULLAH: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that there is a difference of 10 per cent in the rate of interest given on bank deposits and the rate of interest charged on loans and advances by banks;

(b) whether it is also a fact that it is abnormally higher as compared to other countries where it is said to be as low as 3 per cent; and

(c) whether Government are contemplating to reduce this difference to give impetus to investment and savings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) The difference between the interest rate on deposits and the interest rate on lending is not 10 per cent. Lending rates range between 4 per cent and 17.5 per cent while fixed deposit rates range between 3 per cent and 11 per cent. The spread between the interest earned and interest paid as a proportion of the Bank's funds compares favourably with the spread of 3 per cent referred to in the context of other countries.

Bank Robberies

2714. SHRI SHANTI TYAGI: Will the PRIME MINISTER pleased to state:

(a) the number of bank robberies committed in the country during the years 1985 and 1986 on nationalized banks;

(b) the total amount of money looted in these robberies; and

(c) whether Government are actively considering any fullfledged scheme for the protection and security of banks against dacoities and loots?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) According to Reserve Bank of India, the total number of bank robberies/dacoities and the amounts involved, as reported by the Public Sector Banks to it during 1985 and 1986 are as given below:

Year	No. of bank robberies/dacoities	Amount involved (Rs. in lakhs)
1985	76	165.21 + Gold weighing 1002 grams
1986	106%*	391.38 Foreign currency valued at Rs. 0·52 lakhs and jewellery of Rs. 0·82 lakhs + Travellers cheques valued at US £ 45690 and £ 13040 + Gold ornaments weighing 626 grams.

*This includes one case of burglary accompanied with murder at the State Bank of Mysore, Connaught Place Branch, Delhi on the night of 27th/28th May, 1986. An amount of Rs. 9.64 lakhs, foreign currency worth Rs. 0.52 lakh and jewellery worth Rs. 0.82 lakh was stolen.

(c) Bank robberies/decoities, to a considerable extent, depend on the general security enviornment in the locality. Banks, however, have been taking steps to improve their security arrangements so as to offer as little inducement as possible to miscreants to rob the banks and also to deter them. As this is a continuous process, security measures implemented by Public Sector Banks are being reviewed from time to time and whenever further improvements are considered necessary, requisite guidelines/instructions are given to the Banks.

French offer of help in the Light combat Aircraft

2715. SHRI RAJNI RANJAN SAHU: Will the Minister of DEFENCE be pleased to state:

(a) whether France has offered help to India in Light Combat Aircraft Project;

(b) if so, what are the details thereof; and

(c) what action has been taken by Government thereon?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE RESEARCH AND DEVELOPMENT IN THE MINISTRY OF DEFENCE (SHRI ARUN SINGH): (a) Yes, Sir.

(b) M/s AMD-BA of France carried out an independent feasibility study on the LCA. The firm has also offered to provide consultancy/assistance during the Project Definition Phase of the programme.

(c) A contract will be signed with the firm to be selected.

***Discontinuance of the Life Insurance* Corporation policies**

2716. SHRIMATI AMARJIT KAUR
SHRI PAWAN KUMAR BANSAL:

Will the PRIME MINISTER be pleased to state:

(a) the number of people who took out new policies of the Life Insurance Corporation during the last three years; and

(b) the number of policy holders who had failed to Pay their instalments of the premium and subsequently forfeited a part of the amount already paid by them on the discontinuance of their policies and withdrew the refundable amounts during the same period?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The new policies issued in India by LIC during the last three years were as under:—

1983-84	....	23,66,057
1984-85	....	26,99,654
1985-86	....	32,85,607

(b) The number of policies surrendered to or forfeited in India by LIC during the last three years after discontinuance of premium payment were as under:—

	No. of Policies	
	Surrendered	Forfeited
1983-84	2,46,866	7,83,435
1984-85	2,48,363	8,27,119
1985-86	2,70,438	9,44,625